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## STATEMENT OF PURPOSE

## RS23912C1

This proposed legislation addresses the need for increased transportation funding. The legislation, in part, increases registration fees by twenty-one dollars for personal vehicles and twenty-five dollars for commercial vehicles. It increases the motor fuels tax from twenty-five cents to thirty-two cents per gallon. The increase in registration and motor fuels gax shall be subject to a 60-40 split between the State Highway Account and Local Units of Government.

The legislation also creates a Strategic Initiatives Program in the Idaho Transportation Department that provides for a program for transportation projects that are proposed by the Department and rated competitively on their return on investment in safety, mobility, economic opportunity, repair and maintenance of bridges and the purchase of right-of-way. It will be funded from a potential surplus eliminator of the General Fund as defined by the State Controller at the end of FY 2015 and 2016. A two-year sunset clause is placed upon the section of law authorizing the transfer from the General Fund to the Strategic Initiatives Program Fund created herein.

It is the intent of the Legislature that all of the additional funds raised in this legislation will be used exclusively for maintenance of bridges and road and replacement projects at both the state and local levels.

## **FISCAL NOTE**

Funds Raised	Estimated Annualized Amount
Fuel Tax	\$63,236,100
Registration Fees	\$26,770,000
Commercial Vehicle Registration Fees	\$ 3,500,000
Electric/Hybrid Fees	\$ 641,000
Total	\$94,147,100

There is the potential for a surplus eliminator at the end of FY 2015 and FY 2016 from the General fund to the Budget Stabilization Fund and the Strategic Initiatives Program Fund if there is a General Fund surplus.

## **Contact:**

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**Statement of Purpose / Fiscal Note** 

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